



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0202	Title:	Allow for optional DUI prevention contribution on vehicle registration form
Primary Sponsor:	Bennett, Bryce	Status:	As Amended in House Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$10,449	\$0	\$0	\$0
State Special Revenue	\$42,301	\$85,956	\$89,085	\$91,570
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$42,301	\$85,956	\$89,085	\$91,570
Net Impact-General Fund Balance:	<u>(\$10,449)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: As amended, HB 202 creates a state special revenue fund to be used for statewide drinking and driving prevention programs or county drinking and driving prevention programs, funded with a new opt-in donation of \$1. This will require re-programming of the current Montana Enhanced Licensing and Registration System (MERLIN) to include a redesign of the registration card to include new language allowing a person to opt-in to donate \$1 to fund these programs.

FISCAL ANALYSIS

Assumptions:

Department of Justice

1. HB 202 creates a new \$1 opt-in donation to fund statewide drinking and driving prevention programs or county drinking and driving programs established under 61-2-106, MCA. The effective date is 1/1/2016.
2. In order to add the necessary language and a new donation line to the renewal card, additional programming and a redesign will need to be made by the vendor. This will be a one-time expenditure in FY 2016 in the amount of \$50,000. As required by new section 12 (B), the DOJ shall use the revenue from the new opt-in fee to offset any costs incurred in reconfiguring or reprogramming the statewide online computer system.

3. The MERLIN system will require reconfiguration, including adding the new opt-in donation to the registration screens, updating the SABHRS and renewal card interfaces with the new opt-in donation code, and updating the web registration renewal with the new opt-in donation code. It is estimated that reconfiguration of the MERLIN system will cost \$2,750. As required by new section 12 (B), the DOJ shall use the revenue from the new opt-in fee to offset any costs incurred in reconfiguring or reprogramming the statewide online computer system.
4. The total of these one-time costs are projected to be \$52,750 in FY 2016. Anticipated revenue from these fees is \$42,301 in FY 2016. The shortfall of \$10,449 is made up with general fund.
5. It is assumed that the participation rate for the new opt-in donation will be similar to other current opt-in donations including promotion of awareness and education efforts for procurement of organ and tissue donations (81,996 opt-ins in FY 2014) and education on traumatic brain injury donations (81,835 opt-ins in FY 2014). Due to the effective date of January 1, 2016, FY 2016 opt-in donations for statewide drinking and driving prevention are estimated to be 42,301 (half year).
6. Additional revenue from the new opt-in donation will be realized beginning in FY 2016. Revenue from this opt-in donation is increased at the same percentage as overall motor vehicle taxes in HJR 2; 1.16% in FY 2017, 3.64% in FY 2018, and 2.79% in FY 2019.
7. Expenditures are inflated by 1.5% in the 2019 biennium.

Department of Transportation

8. Additional revenue resulting from the new opt-in donation is to be used by the Montana Department of Transportation (MDT) for funding statewide drinking and driving prevention programs or county drinking and driving prevention programs.
9. Counties with approved DUI Task Forces will be eligible for the funding, and most counties have an approved DUI Task Force currently working with MDT's DUI license reinstatement fee program.
10. Collected revenues would be distributed out to these programs.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$52,750	\$0	\$0	\$0
Grants (to Counties)	\$0	\$85,956	\$89,085	\$91,570
TOTAL Expenditures	\$52,750	\$85,956	\$89,085	\$91,570
<u>Funding of Expenditures:</u>				
General Fund (01)	\$10,449	\$0	\$0	\$0
State Special (DUI Opt-In)	\$42,301	\$85,956	\$89,085	\$91,570
TOTAL Funding of Exp.	\$52,750	\$85,956	\$89,085	\$91,570
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$42,301	\$85,956	\$89,085	\$91,570
TOTAL Revenues	\$42,301	\$85,956	\$89,085	\$91,570

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$10,449)	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0

Technical Notes:

1. HB 202 necessitates the addition of language and an opt-in line on the registration form. The additional lines require the DOJ to roll out a larger registration form because there is no available space on the current format of the form. Section 3 of HB 202 prohibits the DOJ from changing to a motor vehicle registration renewal card that is a larger format or different type from the card format and type in use prior to [the effective date of this act] solely because of the addition of the language allowing for the voluntary donation provided for in 61-3-303(5)(D).
2. There are currently several bills amending 61-3-303, MCA. Each of these bills will require adding to or changing the registration renewal form. HB407 (passed out of committee) and HB604 (passed out of committee) will require changes to the form if passed. If these bills all pass, contingency language and/or appropriation coordination language may be necessary to allow the DOJ to implement a larger format for the motor vehicle registration renewal card.

Sponsor's Initials

Date

Budget Director's Initials

Date